

December 9, 2016

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**Re: WC Docket No. 11-42 Lifeline and Link Up Reform and Modernization
EX PARTE PRESENTATION**

Dear Ms. Dortch:

The revised rules governing the Lifeline program promulgated in the Commission's Lifeline Modernization Order became effective on December 2, 2016. Coincident with the effective date of the revised rules, TracFone Wireless, Inc., the nation's largest provider of Lifeline service, experienced significant delays in having Lifeline enrollment applicants' eligibility verified and de-enrollments processed through the National Lifeline Accountability Database (NLAD). We understand that other Lifeline providers also may have encountered problems with NLAD. For a prolonged period (Sunday, December 4 and Monday, December 5), all of TracFone's IP addresses used in connection with NLAD were disabled which prevented TracFone from having any access to the NLAD system. As a result, TracFone was unable to process any transactions, download reports of NLAD activity, or even to make inquiries as to the status of transmitted orders. In short, TracFone was completely shut down without notification during a critical period following implementation of the rule revisions. Although this was brought to the Universal Service Administrative Company's (USAC) attention on Monday, December 5, it was not until the following day that TracFone was able to communicate with USAC and have its IP addresses enabled. However, that only occurred after TracFone was required by USAC to significantly reduce the throughput of transactions sent for NLAD verification. These delays caused many qualified low-income households not to have their applications for enrollment processed and approved and service commenced in a timely manner.

Over the past few days, a series of conference calls was held between TracFone and USAC personnel and the companies are working cooperatively to address and resolve these problems. TracFone understands that additional server capacity will be available starting December 9. Hopefully, that additional capacity will alleviate the problems encountered since last weekend. At all times during this process, USAC personnel have acted professionally and cooperatively in exploring the problems and facilitating solutions. Because of those cooperative efforts, as of late December 7, TracFone was allowed to increase its throughput rate from 500 transactions per minute to 1,000 per minute. It was not until the morning of December 8 that TracFone was able to resume full operations with the NLAD system and commence enrolling Lifeline applicants whose applications had been delayed due to the problems described above. This shutdown lasting several days caused significant disruption to TracFone's Lifeline

operations which, in turn, resulted in enrollment and commencement of service delays to many qualified Lifeline applicants.

These problems – and the resulting disruption to the Lifeline enrollment process – could have been avoided if the NLAD revisions had been thoroughly tested with Lifeline provider participation and adjusted as necessary prior to being placed into service to accommodate the December 2 effective date. Based on this experience, TracFone respectfully urges the Commission and USAC to take such measures as necessary to prevent similar problems from occurring when the National Verifier is implemented over the next several years, or any future NLAD release. The National Verifier will be a massive undertaking which will involve USAC, Lifeline providers, and the Commission. It is imperative that all systems and procedures associated with the National Verifier be comprehensively tested with participation by Lifeline providers and “debugged” before it is implemented in any state.

Pursuant to Section 1.1206(b) of the Commission’s rules, this letter is being filed electronically. If there are questions, please communicate with undersigned counsel for TracFone.

Sincerely,



Mitchell F. Brecher

Cc: Mr. Matt DelNero
Mr. Trent Harkrader
Mr. Ryan Palmer
Ms. Garnet Hanly
Mr. Nathan Eagan